

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 EB-07 COME-00 TRSE-00 JUSE-00
L-03 SS-15 SP-02 CIAE-00 INR-07 NSAE-00 /045 W
-----302025Z 035964 /43
P 302002Z DEC 76
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC PRIORITY 9442

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EO 11652: NA
TAGS: EGEN SNAR MX
SUBJECT: IMPROPER PAYMENTS IN MEXICO BY AMERICAN HOSPITAL
SUPPLY CORPORATION

1. RESPONDING TO UPI STORIES CARRIED IN MEXICO PRESS THIS MORNING ABOUT AMERICAN HOSPITAL SUPPLY CORPORATION'S IMPROPER PAYMENTS IN MEXICO AND SAUDI ARABIA, GOM'S FIRST DEPUTY AG CALLED EMBASSY TO ASK IF SEC WOULD "SHARE INFO" WITH GOM'S AG.
 2. IT IS WORTH NOTING THAT REQUEST FOR HELP CAME INTO EMBASSY NARCOTICS ASSISTANT UNIT AND THAT CALLER, ROSALES MIRANDA, IS KEY PERSON IN US/MEXICO COOPERATIVE NARCOTICS PROGRAM. OBVIOUSLY EMBASSY WANTS TO RESPOND AFFIRMATIVELY AND AS QUICKLY AS POSSIBLE.
 3. ON BASIS OF PREVIOUS EXPERIENCE IN GENERAL TIRE COMPANY CASE, WE HAVE GIVEN TENTATIVE AFFIRMATIVE REPLY, AND PRESUME SAME PROCEDURES (I.E. GOM SIGNS AGREEMENT WITH U.S. JUSTICE DEPARTMENT) WOULD APPLY.
 4. ALSO THIS MORNING EMBASSY RECEIVED TELEPHONE CALL FROM MR. LARRY STOCKMAN, GENERAL DIRECTOR OF AMERICAN HOSPITAL SUPPLY IN MEXICO, WHO IS PRESENTLY IN CALIFORNIA DUE TO SICKNESS
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OF HIS FATHER. MR. STOCKMAN ASKED IF EMBASSY BELIEVED HE WOULD BE SUBJECT TO ANY PERSONAL RISK OR UNPLEASANTNESS IF HE RETURNS TO MEXICO. HE SAID HE IS ABSOLUTELY NOT INVOLVED HIMSELF, HAVING BEEN HERE ONLY A YEAR, AND HAVING BROUGHT TO AN END POLICY OF MAKING "PAYMENTS".

5. E/C COUNSELOR TOLD MR. STOCKMAN THIS WAS A DECISION HE WOULD HAVE TO MAKE HIMSELF, BUT THAT IF HE WAS PERSONALLY BLAMELESS, HE NEED NOT FEAR ANY LONG RUN TROUBLE. AT THE SAME TIME GOM'S ADMINISTRATION IS EVEN MORE INTERESTED THAN PREVIOUS ADMINISTRATION IN CRACKING DOWN ON MISDOINGS IN MEXICO, PARTICULARLY THOSE THAT ARE PUBLICLY IN PRESS. WE POINTED OUT THAT LOCAL MANAGER OF GENERAL TIRE SUBSIDIARY, WHILE ALSO PERSONALLY BLAMELESS WAS QUESTIONED AND HELD INCOMMUNICADO IN EARLY STAGES OF GOM'S INVESTIGATION. WE SUGGESTED THAT MR. STOCKMAN CONTACT ARA-MEX (DREYFUSS OR FALK) IN DEPT FOR FURTHER ADVICE AND POSSIBLY OFFER HIS PERSONAL ASSISTANCE THROUGH MEXICAN EMBASSY IN WASHINGTON.
JOVA

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Message Attributes

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